

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 11

MANHATTAN COUNTRY SCHOOL,

Case No. 25-11009 (DSJ)

Debtor.
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ORDER CONCERNING COMMUNICATION FROM CONCERNED PARENT

The Court received the attached email last night from a parent raising complaints and allegations regarding Casa Laxmi, an entity that was a proposed debtor-in-possession (“DIP”) lender to the debtor. An officer or principal of Casa Laxmi also signed Debtor’s petition. The petition was filed on Friday, May 16. On Tuesday, May 20, 2025, following a hearing to consider a request for approval of emergency DIP financing from Casa Laxmi, the Court issued an oral ruling followed by a written order denying the application without prejudice to renewal, either in modified form or backed by additional evidence establishing that the application meets all applicable requirements. The basis for the ruling was the debtor’s failure to establish that its proposed new financing adequately protected the interests of Debtor’s pre-petition secured lender, but, for financing to be approved, additional requirements also would need to be met. See, e.g., *In re LATAM Airlines Grp. S.A.*, 620 B.R. 722, 769-777 (Bankr. S.D.N.Y. 2020).

Substantive communications to the Court should be filed on the Court’s docket. Any party in interest is welcome to make submissions or be heard by the Court. At least in general, organizations or groups are required to appear through counsel, meaning an attorney. The parents’ organization mentioned in Mr. or Ms. Tiktinsky’s email is

encouraged to seek counsel, who may be willing to serve on pro bono basis, meaning for no charge.

A copy of this order will be emailed to the parent who sent last night's email, to the Office of the United States Trustee, and to Debtor's counsel.

Debtor's counsel is directed to file a status update letter not to exceed three single-spaced pages by June 4, 2025. The letter should explain the status of Debtor's operations and describe Debtor's intended next steps in the case. The Court also is available to conduct a status conference either on June 5 or on many dates during the week of June 9. The Court also invites input from the Office of the United States Trustee as to the case, both in general and with an eye to the concerns raised in Mr. or Ms. Tiktinsky's email.

So ordered.

Dated: New York, New York
May 28, 2025

s/ David S. Jones
Honorable David S. Jones
United States Bankruptcy Judge

Lynda Calderon

From: Toby Tiktinsky [REDACTED]
Sent: Tuesday, May 27, 2025 11:07 PM
To: NYSBdb_jones.chambers
Subject: Case No. 25-11009-DSJ

CAUTION - EXTERNAL:

Dear Honorable Jones,

I struggle to know what to ask of you, I realize you are a bankruptcy judge tasked with weighing the merits of this case. As you can surmise, I am no lawyer, but a parent whose school has just informed its community that it will close for summer a week earlier than planned. The charitable foundation that convinced the prior board of trustees it would cover payroll—in order to secure control of the school—has now reneged and will only provide funds if assured a 12% return through debtor-in-possession financing secured by a first position lien.

This comes after the parent community raised money to cover payroll (after already paying tuition!) that the so-called Debtor in Possession has the resources to cover but refuses to provide. The foundation has promised its investors a strong return from this nonprofit school takeover. Casa Laxmi is a wolf in sheep's clothing. They told our community they would cover the tuition shortfall, but once they gained custody of the school, they changed their tune. They are not even registered as a foreign corporation in New York and have only two board members when New York law requires three.

A parent group had developed an alternative plan for the school that secured enough funding to pay teachers for another year, contingent on installing a new Board of Trustees. But the current chairwoman, convinced of her own superiority, refused to step down when asked and pushed through this deal with Casa Laxmi.

This deal should never have happened. Casa Laxmi does not care about the mission of MCS and is using the bankruptcy court to strip the institution of its history and mission. I believe you have the power to stop this travesty. I hope you do.

Sincerely,

Toby Tiktinsky
Parent of current 9-10s student
Parent of Class of 2024 graduate
Member, MCS Parent-Led Renewal Plan

CAUTION - EXTERNAL EMAIL: This email originated outside the Judiciary. Exercise caution when opening attachments or clicking on links.